

## WHY IS A TEAR DOWN AUTHORIZATION IMPORTANT?

A TEAR DOWN AUTHORIZATION SHOULD BE CONSIDERED FOR ALL NON- DRIVABLE & MANY DRIVEABLE REPAIR TRANSACTIONS. THE REASONS ARE AS FOLLOWS:

- 1) AN AUTO BODY SHOP IS NOT REQUIRED BY ANY LAW OR REGULATION TO WAIT FOR AN ADJUSTER TO INSPECT A VEHICLE PRIOR TO TEARING DOWN THE VEHICLE.
- 2) PROPER TEAR DOWN OF THE VEHICLE ALLOWS FOR A MORE COMPLETE AND ACCURATE DAMAGE ESTIMATE.
- 3) A THOROUGH INSPECTION OF THE VEHICLE AND CORRESPONDING SHOP ESTIMATE MAKES IT EASIER TO NEGOTIATE THE PROPER REPAIR PROCESS AND COST WITH THE CUSTOMER AND ADJUSTER, AND MINIMIZES THE NUMBER OF SUPPLEMENTS, AND IMPROVES SHOP CYCLE TIME.
- 4) A BODY SHOP CANNOT BE PAID FOR TEAR DOWN WITHOUT PROPER AUTHORIZATION. THIS TEAR DOWN AUTHORIZATION ENSURES THAT THE SHOP WILL BE PAID FOR IT'S TIME IF THE VEHICLE IS DETERMINED TO BE A TOTAL LOSS.
- 5) "ADMINISTRATIVE CHARGES" ARE CONSIDERED TO BE "UNREASONABLE" UNDER CALIFORNIA LAW: (CA. VEHICLE CODE 22524.5). MANY SHOPS WILL BILL A CUSTOMER FOR "ADMINISTRATIVE CHARGES" TO COVER ITEMS SUCH AS PHONE CALLS, RESEARCHING MANUFACTURER REPAIR SPECIFICATIONS ETC. WHEN A VEHICLE IS DETERMINED TO BE A TOTAL LOSS INSTEAD OF USING A SEPARATE TEAR DOWN AUTHORIZATION THAT INCLUDES THESE CHARGES IN THE TEAR DOWN COST, THEREFORE, AN ADMINISTRATIVE CHARGE" LINE ITEM CAN NOT BE USED IN THE STATE OF CALIFORNIA

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A TRADITIONAL REPAIR AUTHORIZATION CANNOT BE USED FOR A "TEAR DOWN " BECAUSE IT AUTHORIZES REPAIRS BASED ON AN ESTIMATE. A "TEAR DOWN" AUTHORIZATION IS BASED ON A SET OF SPECIFIC REQUIREMENTS CITED IN SECTION 3353 OF THE CALIFORNIA CODE OF REGULATIONS.

PLEASE NOTE THAT THE ATTACHED TEAR DOWN AUTHORIZATION LISTS THREE SEPERATE OPERATIONS THE SHOP WILL PERFORM FOR THE AMOUNT CHARGED. (1) DISASSEMBLE THE VEHICLE, (2) DETERMINE THE APPROPRIATE METHOD OF REPAIR, AND (3) ESTIMATE THE NECESSARY COST OF REPAIRING THE VEHICLE. YOU ARE NOT REQUIRED TO SEPARATE THESE CHARGES. THE ATTACHED TEAR DOWN AUTHORIZATION IS COMPLIANT WITH THE CALIFORNIA CODE OF REGULATIONS SECTION 3353 (D)

- 6) SOME INSURERS ATTEMPT TO LIMIT THE AMOUNT OF STORAGE THEY WILL PAY TO SHOPS ON TOTAL LOSS VEHICLES. THIS TEAR DOWN AUTHORIZATION SPECIFICALLY SETS THE REASONABLE COSTS AND CONDITIONS OF STORAGE AND THE CUSTOMER ACKNOWLEDGES AND AUTHORIZES THESE COSTS. THIS NEGATES THE INSURERS ARGUMENTS OVER STORAGE. PLEASE NOTE THAT YOU CANNOT CHARGE STORAGE FOR THE DAY(S) YOU ARE PERFORMING THE WORK DESCRIBED.
  
- 7) LAST, BUT PROBABLY THE MOST IMPORTANT, IS THE FACT THAT THE CALIFORNIA BUREAU OF AUTOMOTIVE REPAIR SUPPORTS THIS ACTION.

**ATTENTION: THIS DOCUMENT IS GENERAL IN NATURE AND DEALS WITH VARIOUS LAWS AND REGULATIONS. IT SHOULD NOT BE CONSIDERED LEGAL ADVICE. IT IS RECOMMENDED YOU SEEK THE ADVICE OF AN ATTORNEY SPECIALIZING IN THIS AREA OF THE LAW IF YOU ENCOUNTER A PROBLEM.**